

Application Instructions  
For  
**Colorado Division of Housing**  
Loan/Grant Assistance

Colorado Division of Housing  
STATE OF COLORADO  
Department of Local Affairs  
1313 Sherman Street, Room 518  
Denver, Colorado 80203  
(303) 866-2033  
[www.dola.state.co.us/doh/Index.htm](http://www.dola.state.co.us/doh/Index.htm)

## 1. OVERVIEW

### A. SUMMARY

The Colorado Division of Housing (CDOH) encourages the production and preservation of adequate, safe, decent and affordable housing for lower-income households that cannot afford housing supplied by traditional private market approaches. CDOH works in partnership with local governments, housing authorities, and developers (both for-profit and not-for-profit) to provide financial assistance and technical services that increase the availability of housing to residents of Colorado who can afford the least. This document is intended to solicit applications for funding in support of projects and programs that will help achieve CDOH's Mission.

### B. CDOH'S MISSION

***"The mission of the Colorado Division of Housing is to ensure that Coloradans live in safe, decent and affordable housing. We do this by helping communities meet their housing goals." CDOH is your partner in providing financial assistance and services that increase the availability of housing to residents of Colorado who can least afford it.***

### C. FUNDING SOURCES AND USES

DOH funding comes primarily from two U.S. Department of Housing and Urban Development (HUD) Programs – the Community Development Block Grant Program (CDBG) and the HOME Investment Partnership Program (HOME). In addition, DOH has State funds available from the Revolving Loan Fund (RLF) and the Housing Development Grant (HDG) fund. DOH uses these funds to assist in the development, purchase and/ or rehabilitation of apartments, single-family homes, and special needs housing. ***Applicants must leverage DOH funds with financing from other private and public sources to complete an affordable housing project or program.***

### D. GENERAL

To apply for CDOH funds, contact your regional Housing Development Specialist for assistance (See Regional Assignments). The regional Housing Development Specialist can provide a full range of technical assistance to groups developing an affordable housing project or program.

DOH typically structure the funds awarded as grants, direct loans, or interest-rate subsidies. The types of projects funded include: Acquisition, New Construction, Rehabilitation of Multifamily Housing, Down Payment Assistance, and Single Family Rehabilitation Programs.

Due to the limited nature of CDOH funds, the application process is highly competitive. If awarded funding, your agency agrees to comply with all applicable HUD and DOH reporting requirements. Applications are evaluated according to the CDOH funding guidelines.

## 2. CDOH Funding Guidelines

The following CDOH Funding Guidelines are based on Federal Regulations and the funding priorities of the Colorado Division of Housing.

### A. CDOH Strategic Action Plan

As part of the required HUD Consolidated Plan Activities, the CDOH completes an annual *Strategic Action Plan* to describe the planned Objectives, Goals, Activities and Outcomes of the various affordable housing projects completed with CDOH funds. The overall *Objective* of the *CDOH Strategic Action Plan* is to “*Provide Decent Housing.*” The following is a summary of the Goals as found in the *2006-2007 CDOH Strategic Action Plan*;

**Goal 1:** Preserve the supply of existing affordable rental housing through the acquisition and rehabilitation of existing affordable rental housing

**Goal 2:** Increase the supply of affordable rental housing when it meets community needs through the provision of technical and financial resources for new construction or the acquisition and rehabilitation of existing properties

**Goal 3:** Increase the capacity, stability, participation and independence of local housing and service providers through technical assistance and financial resources

**Goal 4:** Increase and preserve homeownership for low and moderate income households by funding down payment assistance, housing rehabilitation programs, and housing counseling programs provided by local housing providers

**Goal 5:** Meet the community needs for homeless shelter beds and supportive services for low and moderate income and special needs populations through funding for projects and programs that meet these needs

**Goal 6:** Assist in creating an adequate supply of housing for people with special needs coupled with appropriate services that increase independence through funding Tenant-Based Rental Assistance in appropriate market conditions

**Goal 7:** Increase housing opportunities to revitalize neighborhoods by jointly funding residential redevelopment projects with local governments and neighborhood organizations

**Goal 8:** Provide community at-large and policy-maker education and outreach about housing issues so that communities are better able to meet their housing needs

Each proposed project will be evaluated by the CDOH Development Staff to determine the project's applicability to the CDOH Strategic Action Plan Goals as listed above. The complete *2006-2007 CDOH Strategic Action Plan* is available at the CDOH website :

<http://www.dola.state.co.us/Doh/Documents/2006-2007%20Draft%20Strategic%20Action%20Plan.pdf> .

## **B. Performance Measurements**

The Colorado Division of Housing reviews the impact and performance of every funded affordable housing project through the *CDOH Performance Measurement System* by the collection and review of data concerning the type, style and amount of housing along with information on the households served. This information is used to improve CDOH program/project performance and to provide relevant data to State and Federal officials.

Information necessary to support the *CDOH Performance Measurement System* is collected during the *CDOH Application* process. Additional information may be collected from the applicant once an award of funds has been provided. Information collected includes data such as; household (beneficiary) information, length of affordability period, and Energy Star compliance.

## **C. CDOH Funding Priorities**

Within the Objective and Goals described above, the Colorado Division of Housing has established the following Funding Priorities:

**Priority 1:** Projects and Programs that are supported through priority in the Local Housing Needs Assessment

**Priority 2:** Housing for persons with Special Needs (homeless, elderly, physically and/or mentally disabled)

**Priority 3:** Preservation of existing affordable housing with expiring rental assistance contracts or rent restrictions

**Priority 4:** Projects located in areas of the state with above average increases in housing costs and/or population

## **3. AFFORDABILITY**

- A. Although CDOH supports mixed-income developments that include unrestricted market-rate units, Federal funds must be targeted toward units that are restricted to both renters below 60% Area Median Income (AMI) and homeowners at 80% AMI or less.
- B. Each successfully funded applicant will agree to maintain the affordability of their housing Project for at least the minimum period indicated in the following chart:

<b><u>Type of Project</u></b>	<b><u>Funds</u></b>	<b><u>Eligible Applicant</u></b>	<b><u>Affordability Period</u></b>
New Construction or Acquisition & Rehabilitation Rental or Homeownership	Grant	Not-for-Profit, Housing Authority, Local Government	50 years (HUD 30 Years)
New Construction or Acquisition & Rehabilitation Rental or Homeownership	Loan	For-Profit, Not-for-Profit, Housing Authority	30 years or length of CDOH loan term, whichever is longer
Owner Occupied Rehabilitation Assistance Program	Grant/Loans	Not-for-Profit, Housing Authority, Local Government	Customers must qualify as Low or Moderate Income & repay an amortized loan
Down Payment Assistance Program	Grant/Loan	Not-for-Profit, Housing Authority, Local Government	Customers must qualify as Low or Moderate Income & repay an amortized loan

#### 4. **CRITERIA**

- A. DOH uses the following criteria to evaluate each application. The cost ranges are a benchmark to assess whether a project is being built to modest standards or whether there are site conditions, market standards, or design considerations that necessitate higher or lower development costs. All development criteria that fall outside of the parameters of the various ranges must be accompanied by an explanation.

<b><u>Cost Criteria for Rental Development</u></b>	<b><u>New Construction</u></b>	<b><u>Acquisition w/ Rehab</u></b>
Total Development Cost	\$102 to \$145	\$85 to \$117
Hard Cost per Sq. Ft.	\$80 to \$120	\$80 to \$105
Soft Cost per Sq. Ft.	\$18 to \$28	\$ 5 to \$ 12
Land Cost per Unit	\$10,000 to \$18,000	N/A
Annual Operating Expenses/Unit (PUPA)	\$3,200 to \$4,200	\$3,200 to \$4,200
DOH Subsidy per Unit	\$4,000 to \$8,500	\$2,000 to \$6,500
Debt Coverage Ratio	1.10 to 1.20	1.10 to 1.20
Tax Credit Sales Price	\$0.75 to 0.90	\$0.75 to 0.90

<b><u>Cost Criteria for Homeownership</u></b>	<b><u>Homeowner Downpayment</u></b>	<b><u>Subdivision Development</u></b>
Maximum Sales Price	110% Local FHA Mortgage Limit	Local FHA Mortgage Limit
Minimum Homebuyer Investment	\$500.00	\$500 minimum
Household Income	Up to 80% AMI	Up to 80%
Land Cost per Unit	N/A	\$10,000 to \$18,000
Maximum DOH Subsidy per Unit	4.5%-8.5% of Local FHA Limit	Up to the 4.5% of Local FHA

<b><u>Operating Criteria for Programs</u></b>	<b><u>Homeowner Downpayment &amp; Owner-Occupied Rehab</u></b>
DOH Award to Applicant/Administrator	Grant
Administrator Assistance to Customers	Loan
Administrative Funding Limits	Refer to DOH RLF guidelines And consult with your Developer
Housing Quality Standard	Local Code and HQS

#### B. **DEVELOPERS FEES**

Developer fees as a percent of total development costs should not exceed the following limits:

Rehab	<25 units	10%
Rehab	>25 units	5%
New Construction	<25 units	15%
New Construction	>25 units	10%

**C. COST EFFECTIVENESS – Appendix C**

Four (4) separate assessments are made to determine the Division of Housing's (CDOH) Cost Effectiveness Rating. The sum of these assessments, measures the cost and the effectiveness of each development.:

1. Cost per Person
2. Rent Savings
3. Return on Investment
4. Leveraging

CDOH's development staff will use the following procedures on rental and homeownership development projects. The "Cost Effectiveness" tab in the Housing Development Analysis Spreadsheet calculates three of the four assessments.

**D. COST CONTAINMENT GUIDANCE**

These general standards represent current indicators of modest but decent housing, inclusive of public areas such as hallways, stairwells and common rooms.

SUGGESTED SIZE LIMITS	
Unit Type	Unit Size
Studio or Efficiency	500 SF
One Bedroom	700 SF
Two Bedroom	900 SF
Three Bedroom	1,200 SF
Four Bedroom	1,500 SF
Five Bedroom	1,700 SF
Six Bedroom	1,900 SF

**E. OTHER CRITERIA**

**1. VISITIBILITY**

The Colorado Division of Housing encourages all applicants for grant and loan funds to incorporate CDOH Visit ability Design Features into their proposed affordable housing project. Homes built with visitable features enhance livability for disabled residents, and often allows non-disabled residents to remain in their homes as they age, reducing the retrofit cost of the dwelling. In addition, a visitable home allows residents to more easily welcome guests of all abilities into their homes.

On the ***File Checklist*** (CDOH Application Page XX), please indicate the number housing units that meet the CDOH Visitability Design Features in the proposed project. Please see Appendix D for a copy of the *Colorado State Housing Board Policy Statement Regarding Visit ability of Housing for Persons with Disabilities*.

**2. ENERGY EFFICIENCY**

Energy-efficient design and construction provides the affordable housing developer, manager and/or owner the opportunity to incorporate design features that assist in managing energy costs over the life of the project, while at the same time providing a more comfortable living environment for the occupant. The Colorado Division of Housing promotes the use of cost-effective design and construction techniques that reduce the energy consumption in projects funded through the Division. See Appendix E

**3. LANDSCAPING**

The use of water-efficient landscaping is encouraged in projects funded by the Colorado Division of Housing. The Colorado Division of Housing recommends following the *Denver Water's Seven Xeriscape Principles* to promote a healthy, water-efficient, and reduced maintenance landscape.

## 5. **APPLICATION PROCESS**

*Applicants use the same form, regardless of the type of development or the funding source. However, different types of projects require different supporting documents – please refer to checklist.\*\**

### **A. Before an applicant submits an application to CDOH, complete the following requirements:**

1. Secure local political and financial support.
2. Begin the local government planning and zoning approval process.
3. Have conditional commitments for primary sources of capital.
4. Conduct a third-party professional market study for all new construction projects.
5. Confirm Sanctuary City Certification

### **B. Public Hearing Information**

A public hearing must be held prior to the submission of an application. A CDOH staff person must be present at the public hearing. Please see Appendix B – Regional Assignments for contact information. Please see Attachment C in the application form for sample public hearing language and publication guidelines.

### **C. HUD Environmental Review**

Before any funds can be obligated, expended or drawn down from the State, the grantee must complete the appropriate HUD environmental review, submit it to the CDOH in order to be issued a Release of Funds (ROF) letter from the State. Grantees should review the environmental review guidelines section of the CDBG Guidebook, located on the Colorado Department of Local Affairs website at [www.dola.state.co.us](http://www.dola.state.co.us). Grantees are encouraged to contact Eric Bergman at the Department of Local Affairs at 303.866.4552 or [eric.bergman@state.co.us](mailto:eric.bergman@state.co.us) with any questions pertaining to the HUD environmental review process.

### **D. Application Review Procedure and Timeline**

1. CDOH accepts applications on a continuous basis throughout the year.
2. Applications are due on or before the first of the month for review that month.
3. Applicants should submit application at least **4 months** prior to the date the funds will be needed.

Application Process Timeline

<b><u>Activity</u></b>	<b><u>Deadline</u></b>	<b><u>Approx. Days</u></b>
Application Submission	1 <sup>st</sup> of the month	0
CDOH staff verification and underwriting	Ongoing	Ongoing
CDOH Development Staff Review Session (the ProCon Call)	3 <sup>rd</sup> Thursday of the month	15- 21
CDOH Full Staff Review Session (the ProCon Meeting)	4 <sup>th</sup> Thursday of the month	22-28
State Housing Board	2 <sup>nd</sup> Tuesday of the month	38-45
Decide funding award amount and source	End of 2 <sup>nd</sup> month	60
Award Letter and Press Release	End of 2 <sup>nd</sup> month	60
Execute Contract	End of 3 <sup>rd</sup> month	90+
Process Payment Request	Two weeks after request received	104+
<b>HOWEVER – If DOH staff determines that an application is not complete or the project is not ready for a DOH funding commitment, then DOH staff may choose to hold the project for a future month's review cycle.</b>		

## 6. Application Submittal Instructions

- A. An Excel version of the application is available by contacting a Housing Development Specialist (see Appendix B – Regional Assignments) or Ms. Verda Martin at (303) 866-4441 or [verda.martin@state.co.us](mailto:verda.martin@state.co.us), or by visiting the DOH website at <http://www.dola.state.co.us/doh/GrantsLoans.htm>.
- B. Submit five (5) copies of the application form, including one copy with an original signature.
- C. Submit one (1) copy of all supporting documents (See attached Checklist of supporting documents).
- D. In the case of multi-jurisdictional applications involving more than one local government, an authorized signatory for each local government must sign the application forms.
- E. Submit applications to:

Ms. Verda Martin  
Colorado Department of Local Affairs  
Division of Housing  
1313 Sherman Street, Room 518  
Denver, Colorado 80203

## 7. STATE HOUSING BOARD REVIEW

The State Housing Board (SHB) meets the second Tuesday afternoon of every month. If CDOH staff makes a recommendation for funding, you will present your project to the SHB:

- A. You will give a ten-minute presentation on your project/program, highlighting the need for the project, proposed timelines and benefits to the community.
- B. The Board will then ask project specific questions of the applicant and staff.
- C. The Board will make a recommendation to DOLA or CDOH Director at the meeting.

## 8. AFTER THE AWARD

Once the affordable housing application submitted to the Colorado Division of Housing (DOH) has been awarded funding, the developer receives a letter stating the dollar amount of the award and the name of the Asset Manager (AM) to contact for information on how to proceed with the project. The AM works closely with the Developer (Devo) who assisted with the project application. The AM and the Devo work as a team to ensure the success of every affordable housing project.

- The contract and legal documents governing the award will be created
- Contracts are review, signed and attested then returned to the State
- The contract is circulate the for signature by the state to officially be executed.
- ***Do not obligate any of the funds or have any work done prior to the contract execution date.***
- Before CDBG and HOME funds can be obligated, expended, or drawn down from the state, the grantee must complete and submit an HUD environmental review for each project. An overview of federal environmental review requirements and corresponding environmental review forms can be found on the DOLA website at [www.dola.state.co.us/LGS/FA/CDBG/CDBG-guidebook.htm](http://www.dola.state.co.us/LGS/FA/CDBG/CDBG-guidebook.htm). For more information on environmental review requirements, grantees can contact Eric Bergman at 303.866.4552 or by e-mail at [eric.bergman@state.co.us](mailto:eric.bergman@state.co.us).
- Technical assistance will be provided to the agency on required requests for fund reimbursements, quarterly reports and state and federal requirements.
- The contracted project will be monitored during the term of the contract.
- A Project Close Out report will be required at the completion of the project.



9. **APPENDICIES** (see following pages)

- A. State Housing Board Members
- B. DOH Regional Assignments
- C. DOH Cost-Effectiveness Rating
- D. Visitability Policy
- E. Energy Efficiency Policy
- F. Landscaping Draft

## **APPENDIX A: Colorado State Housing Board Members**

<b>Rick Padilla</b>	<b>Congressional District 1</b>
<b>Sally Hatcher</b>	<b>Congressional District 2</b>
<b>Suzanne Anarde</b>	<b>Congressional District 3</b>
<b>Don Marostica</b>	<b>Congressional District 4</b>
<b>Theo Gregory</b>	<b>Congressional District 5</b>
<b>Jack Kelly</b>	<b>Congressional District 6</b>
<b>Mike Rosser</b>	<b>Congressional District 7</b>

COMMUNITY HOUSING ASSISTANCE TEAMS (CHATS) - REGIONAL ASSIGNMENTS			
	Revised: 10/2006	HOUSING DEVELOPMENT	ASSET MANAGEMENT
REGION 1	Logan, Phillips, Sedgwick,	DENISE SELDERS (303) 866-4650	ROBERT THOMPSON (303) 866-5577
REGION 2	Weld, Larimer	denise.selders@state.co.us	robert.thompson@state.co.us
REGION 2	Morgan, Washington, Yuma	DOUG SELBEE (303) 866-5154	MEGHEN DUGGINS (303) 866-4020
		doug.selbee@state.co.us	meghen.duggins@state.co.us
REGION 3	Arapahoe, Douglas, City of Aurora	ANTONIETTE ESTRADA (303) 866-3781	SEDIONIA BOONE (303) 866-4649
		antoniette.estrada@state.co.us	sedionia.boone@state.co.us
REGION 3	Adams	DOUG SELBEE (303) 866-5154	MEGHEN DUGGINS (303) 866-4020
		doug.selbee@state.co.us	meghen.duggins@state.co.us
REGION 3	Boulder, Clear Creek, Gilpin, Jefferson, City of Broomfield	ANN WATTS (303) 866-4652	AUTUMN GOLD (303) 866-4648
		ann.watts@state.co.us	autumn.gold@state.co.us
REGION 3	City and County of Denver	DOUG SELBEE (303) 866-5154	MEGHEN DUGGINS (303) 866-4020
		doug.selbee@state.co.us	meghen.duggins@state.co.us
REGION 4	Park and Teller	ANTONIETTE ESTRADA (303) 866-3781	SEDIONIA BOONE (303) 866-4649
		antoniette.estrada@state.co.us	sedionia.boone@state.co.us
REGION 4	El Paso County	ANTONIETTE ESTRADA (303) 866-3781	SEDIONIA BOONE (303) 866-4649
		antoniette.estrada@state.co.us	sedionia.boone@state.co.us
REGION 5	Cheyenne, Elbert, Kit Carson, Lincoln	ANTONIETTE ESTRADA (303) 866-3781	SEDIONIA BOONE (303) 866-4649
		antoniette.estrada@state.co.us	sedionia.boone@state.co.us
REGION 6	Baca, Bent, Crowley, Kiowa, Otero, Prowers	RICK HANGER (719) 544-2466 rick.hanger@state.co.us	SHANNON PICASO (303) 866-5306 shannon.picaso@state.co.us
REGION 7	Pueblo		
REGION 8	Alamosa, Conejos, Costilla, Rio Grande, Saguache		
REGION 9	Archuleta, Dolores, La Plata, Mineral, Montezuma, San Juan	BILL WHALEY (970) 248-7302 bill.whaley@state.co.us	BECKY MURRAY (303) 866-2319 becky.murray@state.co.us
REGION 10	Delta, Gunnison, Hinsdale, Montrose, Ouray, San Miguel		
REGION 11	Garfield, Moffat, Rio Blanco, Mesa		
REGION 12	Pitkin, Eagle, Routt,		
REGION 12	Summit	ANN WATTS (303) 866-4652	AUTUMN GOLD (303) 866-4648
		ann.watts@state.co.us	autumn.gold@state.co.us
REGION 12	Grand, Jackson	DENISE SELDERS (303) 866-4650	ROBERT THOMPSON (303) 866-5577
		denise.selders@state.co.us	robert.thompson@state.co.us
REGION 13	Chaffee, Custer, Fremont, Lake	ANTONIETTE ESTRADA (303) 866-3781	SEDIONIA BOONE (303) 866-4649
		antoniette.estrada@state.co.us	sedionia.boone@state.co.us
REGION 14	Huerfano, Las Animas	RICK HANGER (719) 544-2466	SHANNON PICASO (303) 866-5306
		rick.hanger@state.co.us	shannon.picaso@state.co.us

## APPENDIX C: DOH Cost Effectiveness Rating

### Step One: Cost Per Person Housed

Calculate the cost per person housed by dividing the total development expense by the estimated number of people to be housed in the proposed development. The number of people housed in the development is determined by multiplying the total number of bedrooms in family units by 1.5 people, plus one person for each efficiency or Single Room Occupancy (SRO). The following is an example:

$$14 \text{ bedrooms} \times 1.5 \text{ persons per bedroom} = 21 \text{ persons}$$

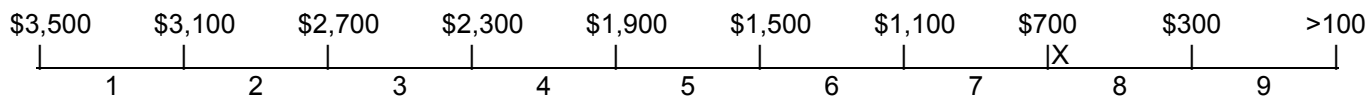
The total development expense for this project is \$1,330,000. Divide this number by the number of persons housed by the development.

$$\$1,330,000 / 21 = \$63,333$$

The answer, \$63,333, is the amount of development expense required to house one person for one year. To measure the total impact, divide this per person cost by the affordability period.

$$\$63,333 / 99 = \$640 \text{ per year}$$

To evaluate the impact of cost per person housed, DOH uses the following scale - round down

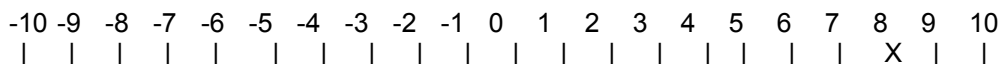


A cost per person housed of \$640 would earn a rating of 8, which is marked by the X.

### Step Two: Externalities

DOH uses this tool to assess a proposed housing development's effectiveness as a place to live. Ten factors are used to measure a housing development's social, environmental, and personal impact on individual residents or the community. The total score is then compared to the following range:

**Externality Rating = #8**



The following page shows the spreadsheet calculation for this example, from the "Cost Effectiveness" tab of the DOH Housing Development Analysis Spreadsheet. The last two pages of this appendix show the summary that DOH staff people create for each application. This two-page summary is attached to the DOH staff project summary and presented to the State Housing Board.

Using the chart at the end of this Appendix as an example, the externality total is +8.

<b>Externalities Matrix - Each external factor below should be scored positively or negatively based on the measure indicated.</b>	<b>+1</b>	<b>-1</b>
<b>1. Project Impact/Need</b> - The project meets an affordable housing need evidenced by market data.	+1	
<b>2. Public/Private Commitment</b> - The project has local government or community financial support.	+1	
<b>3. Management Capability</b> - The project developer has the capability of completing the project in a timely and satisfactory manner.	+1	
<b>4. Consistency With Local Land Use Plans</b> - Utilities, infrastructure, transportation and public services are available to the project without undue hardship or excessive cost.	+1	
<b>5. Environmental Impact</b> - The project will not have a detrimental impact on air quality, water quality, noise levels, view corridors or other locally determined areas of environmental concern.	+1	
<b>6.Social Impact</b> - The project will not have a detrimental social impact on the community or the residents.	+1	
<b>7.Special Needs Population</b> - Households residing in the project include persons with physical or mental disabilities or independent or assisted housing for seniors.		-1
<b>8.High Growth Area</b> - Counties with a greater than average growth in population or housing cost over the last two years.	+1	
<b>9.Preservation of Existing Affordable Housing</b> - The project would acquire and/or rehabilitate existing affordable rental housing.	+1	
<b>10. Serving Persons With Extremely Low Incomes</b> - The project would provide at least 5% of their rental units to persons with incomes below 30% AMI.	+1	
<b>Total (Net Positive or Negative Score)</b>	<b>+8</b>	<b>-1</b>

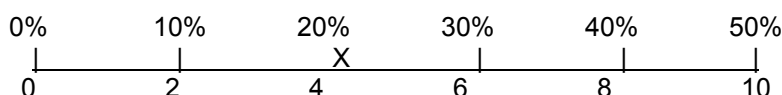
### Step Three: Rent Savings

The Rent Savings Rating evaluates DOH's return on investment by comparing the amount of DOH investment in a project to household rent savings. The rent savings is the amount of household income saved by a family or individual who is paying a reduced or subsidized rent instead of an average market rent.

The "Average Rents" section lists the average market rate rents for the project by bedroom size. The sources for average market rents include: The DOH Multifamily Vacancy & Rental Survey, the Denver Metro Apartment Vacancy & Rent Survey, current market area appraisals, and other comparable rent sources. The Proposed Rents line summarizes the rents the applicant is proposes to charge. The difference between the "Average" and "Proposed" rents will be converted to the Annual Rent Savings per household.

The requested DOH subsidy amount will be used to calculate the per-unit subsidy amount and the return on investment, which is shown as a percentage of the Savings per unit and the DOH subsidy per unit. The following example shows a DOH return on investment of 21%. The Return On Investment (Savings per unit/DOH subsidy per unit) in this example is calculated by dividing the Annual Rent savings per unit (\$1,020) by the DOH Subsidy per unit (\$9,000).

#### Return On Investment from Rent Savings = 21%



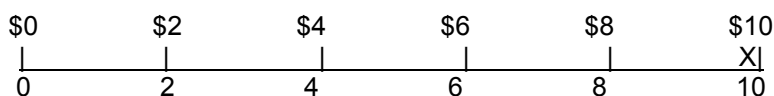
A rent savings of 21% would earn a rating of 4, which is marked by the X.

### Step Four: Leveraging

DOH leverages their resource with private and public investors by using it's funding to fill a financing gap for affordable housing developments. The leveraging ratio is created to show the amount of funds from other sources DOH is able to match or secure by its investment. This leveraging ratio is measured on a ten-point scale. One point is given for each dollar leveraged up to a maximum of 10. For developments able to leverage more than \$10 for every \$1 from DOH, the scale is limited to a maximum score of 10.

#### Leveraging = \$1 DOH: \$10 Other Sources

$$\text{\$1,204,000/\$120,000} = 10.03$$



In the example, DOH invests \$126,000 and leverages an additional \$1,204,000. This scores a 10 on our leveraging scale.

## APPENDIX D:

### **Colorado State Housing Board Policy Statement Regarding Visit ability of Housing for Persons with Disabilities**

As the Board charged under State Statute to make recommendations on grant awards to private enterprise and all public and private agencies for the construction and acquisition of adequate affordable housing in Colorado, the State Housing Board finds that it is in the public interest to support those projects which can accommodate persons with varying degrees of physical abilities.

Homes built with visitable features enhance livability for disabled residents, and often allow non-disabled residents to remain in their homes as they age, reducing the cost of retrofit of the dwelling. In addition, a visitable home allows residents to more easily welcome guests of all abilities into their home.

The Colorado Division of Housing encourages all applicants for grant and loan funds to incorporate the following Visit ability Design Features into their proposed affordable housing projects. To be the most cost effective, DOH strongly encourages applicants to consider visitable features during the earliest stages of new project design, starting with site planning. For rehabilitation projects, incorporating all visitability standards may not always be either financially or physically feasible, but some visitable features may still be incorporated. Applicants may also choose to make their units easily adaptable to these standards. Adaptable dwelling units are pre-engineered to accommodate, at a commercial cost, all of the following exterior and interior visitable features.

Incorporation of Visit ability Design Features within a proposed project does not in and of itself assure approval of that application. It may, at the discretion of DOH staff and the State Housing Board, increase the potential funding for that application.

#### VISITABILITY DESIGN FEATURES

Visitable dwelling units have the following exterior features:

1. At least one step-free or accessible entrance.
2. Located on an accessible route that complies with ANSI A117.1-1998, section 4.8
3. Building lot that has a maximum slope not to exceed 1:12.
4. Building and unit entrance doors with a minimum net clear opening of thirty-two (32) inches when the door is open ninety (90) degrees, as measured between the face of the door and the opposite stop.

Visitable dwelling units also have the following interior features:

1. All interior doors on the accessible floor level that are intended for user passage provide a minimum net clear opening of thirty-two (32) inches when the door is open ninety (90) degrees, as measured between the face of the door and the opposite stop.
2. Interior sliding or pocket doors on the accessible floor level provide a minimum net clear opening of thirty-two (32) inches, as measured when the door is fully open.
3. All interior doors on the accessible floor level are equipped with levered hardware; and there are ramped or beveled changes at door thresholds if there is a change in floor level.
4. All interior hallways on the accessible floor level have a minimum width of not less than thirty-two (32) inches and do not have stairs.
5. The accessible floor level has a minimum of one (1) bathroom, with a toilet and sink, which is:
  - a. Designed and constructed so those with assistive devices can enter and close the door behind them.
  - b. Constructed with wood blocking installed flush within wall framing to support grab bars at a height of thirty-three (33) to thirty-six (36) inches above the finish floor and adjacent to the toilet, shower stall, and bathtub.

## **APPENDIX E: Energy-Efficient Design and Construction**

### **○ Minimum Energy Code Requirement**

Acquisition and rehabilitation and new construction projects funded with Colorado Division of Housing funds shall meet or exceed the Council of American Building Officials Model Energy Code, 1992 (CABO Model Energy Code, 1992), or, in the case of multifamily high rises, the requirements of the American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-1989. In Colorado, most local code jurisdictions have adopted the 2003 International Residential Code that incorporates and updates minimum codes noted above.

### **○ Energy Star Building Performance Standards**

In 2002, U.S. Department of Housing and Urban Development (HUD) and the U.S. Environmental Protection Agency (EPA) entered into a memorandum of understanding to promote the use of Energy Star Building Performance Standards in HUD's affordable housing programs. The Colorado Division of Housing encourages the use of the Colorado Energy Star Standards Program in affordable housing projects. More information concerning the Colorado Energy Star Program can be found at <http://www.e-star.com/index.html>.

Applicants to CDOH are encouraged to incorporate the following language into design, construction and/or project engineering processes, "All new and acquisition/rehabilitation projects up to three stories shall be designed to meet the standard for *Energy Star Qualified New Homes* (80 or greater on the HERS Rating Scale). All procedures used for this rating shall comply with the National Home Energy Rating System guidelines." For projects greater than three stories in height, applicants to CDOH are encouraged to incorporate construction techniques that meet the requirements of *ASHRAE 90.1 Appendix G (2004 Revision)* plus 20 percent to be considered energy-efficient.

In the CDOH Application, indicate the number housing units that meet the Colorado Energy Star Standards Program criteria in the proposed project.

### **○ Energy Saving Partners (E\$P) New Construction Program**

New construction affordable housing projects are eligible to participate in the Energy Saving Partners (E\$P) New Construction Program to receive grant funds for specific energy upgrades installed in the project. The List of specific energy upgrades can found below. An Excel version of this information can be found at the CDOH website.

### **○ Energy Saving Partners (E\$P) Acquisition/Rehabilitation Program**

Applicants to CDOH requesting funds for acquisition and rehabilitation housing projects are encouraged to contact the Energy Saving Partners (E\$P) Program concerning their involvement in the project. For more information please contact the E\$P Program at (303) 866-2084.



Appendix E – Energy \$aving Partners (E\$P) Energy-Efficient Construction Incentive Program

The following energy-efficiency measures installed in construction projects are eligible for grant funds based on the incentive listed

A	B	C	D	E	F	G	H	I
Measure	Efficiency Measure	Incentive Measure Description	Baseline	Unit	Incentive Amount per Unit	*Proposed # Column E Units	Installed # of Units	Total Incentive (E x G)
#								
1	Compact Fluorescent Lighting, Interior Fixture	13-36 Watt Fixture	Incandescent, 65 W Fixture	Fixture	\$54.80			\$0.00
2	Compact Fluorescent Lighting, Interior Fixture	48 Watt Fixture	Incandescent, 100 W Fixture	Fixture	\$32.00			\$0.00
3	Compact Fluorescent Lighting, Interior Fixture	54 Watt Fixture	Incandescent, 120 W Fixture	Fixture	\$40.00			\$0.00
4	Compact Fluorescent Lighting, Interior Fixture	72 Watt Fixture	Incandescent, 120 W Fixture	Fixture	\$40.00			\$0.00
5	Compact Fluorescent Lighting, Exterior Fixture	18-20 Watt Fixture	Incandescent, 60 W Fixture	Fixture	\$40.00			\$0.00
6	Compact Fluorescent Lighting, Exterior Fixture	40 Watt Fixture	Incandescent, 120 W Fixture	Fixture	\$40.00			\$0.00
7	Compact Fluorescent Lighting, Exterior Fixture	65 Watt Fixture	Incandescent, 120 W Fixture	Fixture	\$40.00			\$0.00
8	Replace T-12 Fixture with a T-8 Fixture	1 Lamp T-8, rapid start	1 Lamp T-12, 4' fixture	Fixture	\$5.81			\$0.00
9	Replace T-12 Fixture with a T-8 Fixture	2 Lamp T-8, rapid start	2 Lamp T-12, 4' fixture	Fixture	\$8.55			\$0.00
10	High Efficiency Condensing Furnace	90 AFUE	78 AFUE	1,000 btu/hr	\$6.66			\$0.00
11	High Efficiency Condensing Furnace	92 AFUE	78 AFUE	1,000 btu/hr	\$7.63			\$0.00
12	High Efficiency Condensing Furnace	94 AFUE	78 AFUE	1,000 btu/hr	\$8.60			\$0.00
13	High Efficiency Condensing Furnace	96 AFUE	78 AFUE	1,000 btu/hr	\$9.58			\$0.00
14	High Efficiency Boiler	86 AFUE	80 AFUE	1,000 btu/hr	\$12.31			\$0.00
15	High Efficiency Boiler	88 AFUE	80 AFUE	1,000 btu/hr	\$13.28			\$0.00
16	High Efficiency Boiler	90 AFUE	80 AFUE	1,000 btu/hr	\$14.26			\$0.00
17	High Efficiency Electric Water Heater	Electric Efficiency = 0.93	Efficiency = 0.88	gallon	\$1.81			\$0.00
18	High Efficiency Gas Water Heater	Gas Efficiency = 0.63	Efficiency = 0.60	gallon	\$1.63			\$0.00
19	High Efficiency Air Conditioning Heat Pump	14 SEER (12.19 EER) / 8.6 HSPF (3.52 COP) A/C Heat Pump	13 SEER(11.07 EER)/8.1 HSPF(3.28 COP) A/C Heat pump	tons	\$226.23			\$0.00
20	High Efficiency Air Conditioning Heat Pump	15 SEER (12.70 EER) / 8.8 HSPF (3.74 COP) A/C Heat Pump	13 SEER(11.07 EER)/8.1 HSPF(3.28 COP) A/C Heat pump	tons	\$318.85			\$0.00
21	2" x 4" by 24" OC Wall	2X4 <b>24"</b> O.C. w/ R-15 batts and R- <b>6.5</b> exterior foam	2X4 16" O.C. w/ R-15 batts and R-3 exterior foam	Sq. Ft.	\$0.28			\$0.00
22	2" x 4" by 24" OC Wall	2X4 <b>24"</b> O.C. w/ R-15 batts and R- <b>8</b> exterior foam	2X4 16" O.C. w/ R-15 batts and R-3 exterior foam	Sq. Ft.	\$0.43			\$0.00
23	2" x 4" by 24" OC Wall	2X4 <b>24"</b> O.C. w/ R-15 batts and R- <b>13</b> exterior foam	2X4 16" O.C. w/ R-15 batts and R-3 exterior foam	Sq. Ft.	\$0.93			\$0.00
24	2" x 6" by 16" OC Wall	2X <b>6</b> 16" O.C. w/ R- <b>17</b> and R-3 exterior foam	2X4 16" O.C. w/ R-15 batts and R-3 exterior foam	Sq. Ft.	\$0.14			\$0.00
25	2" x 6" by 16" OC Wall	2X <b>6</b> 16" O.C. w/ R- <b>17</b> and R- <b>5</b> exterior foam	2X4 16" O.C. w/ R-15 batts and R-3 exterior foam	Sq. Ft.	\$0.34			\$0.00
26	2" x 6" by 24" OC Wall	2X <b>6 24"</b> O.C. w/ R- <b>17</b> and R- <b>5</b> exterior foam	2X4 16" O.C. w/ R-15 batts and R-3 exterior foam	Sq. Ft.	\$0.23			\$0.00
27	2" x 6" by 24" OC Wall	2X <b>6 24"</b> O.C. w/ R- <b>19</b> and R- <b>5</b> exterior foam	2X4 16" O.C. w/ R-15 batts and R-3 exterior foam	Sq. Ft.	\$0.27			\$0.00
28	2" x 6" by 24" OC Wall	2X <b>6 24"</b> O.C. w/ R- <b>21</b> and R- <b>5</b> exterior foam	2X4 16" O.C. w/ R-15 batts and R-3 exterior foam	Sq. Ft.	\$0.31			\$0.00
29	Increase Attic/Ceiling Insulation	Additional R-11 batt (R-49 total)	R-38	Sq. Ft.	\$0.22			\$0.00
* Indicate the total number of Units to be installed in the project			Total Project Incentive:					\$0.00

I hereby certify that the information provided concerning the installation of the energy-efficiency measures in construction projects is true and correct. I agree to provide documentation in support of the Total Project Incentive to the Colorado Division of Housing within 30 days of the issuance of the Certificate of Occupancy for this project and will permit staff of the Colorado Division of Housing to complete an on-site monitoring. I understand that the Total Project Incentive will be reimbursed upon complete documentation submission. I agree to release utility bill information for this property, including past utility bill information as requested by the Colorado Division of Housing.

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Chief Elected Official/Executive Director

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Date:

## **APPENDIX F: Landscaping**

### **Water-Efficient Landscaping**

The use of water-efficient landscaping is encouraged in projects funded by the Colorado Division of Housing. The Colorado Division of Housing recommends following the *Denver Water's Seven Xeriscape Principles* to promote a healthy, water-efficient, and reduced maintenance landscape.

In the CDOH application, please indicate whether this project will use the design and construction criteria as suggested by Denver Water. Please see the Denver Water website <http://www.denverwater.org/> for more information.

THE END!!!!